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PROGRESS IN THE IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE SUSTAINABLE DEVELOPMENT OF SMALL ISLAND DEVELOPING STATES

Report of the Secretary-General

Addendum

Sustainable tourism development in small island developing States

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INTRODUCTION

1. The Programme of Action for the Sustainable Development of Small Island Developing States, in chapter VIII, acknowledges the important contribution of tourism to the development of many small island developing States, while noting that "if not properly planned and managed, tourism could significantly degrade the environment on which it is so dependent". 1/ In this vein, it espouses actions to be promoted at the national, regional and international levels in order to ensure the viability of the sector and its harmonious development with the cultural and natural endowments of small island developing States.

2. The present report was prepared with the help of inputs from several agencies and organizations with an interest or involvement in sustainable tourism, and of relevant analytical reports and statistical data published by various organizations within and outside the United Nations system. The first part of the report presents an analysis of the main social, economic and environmental impacts of tourism development on small island States, along with a discussion of the emerging trends and principal risks involved in over-reliance on the sector. The rest of the report highlights country experiences, the role of major groups, including the private sector, some key policy issues in sustainable tourism development, and experiences and activities in international cooperation in promoting the goals and objectives of sustainable tourism development in small island developing States. It concludes with a brief summary of major findings. Recommendations for the future course of tourism development in small island developing States are contained in the report of the Secretary-General (E/CN.17/1996/20).

I. GENERAL OVERVIEW OF PROGRESS ACHIEVED, MAIN POLICY ISSUES, EXPERIENCE GAINED AND PROBLEMS ENCOUNTERED BY SMALL ISLAND DEVELOPING STATES IN TOURISM

A. Economic impact

1. Overview of performance

3. Tourism is often identified as a promising growth sector in small island developing States. It offers one of the few opportunities for economic diversification in very small islands. Tourism has many linkages with other economic sectors, and if integrated into national development plans with adequate provisions for intersectoral linkages, it can contribute to the growth of all tourism-related activities in all of the major economic sectors - agriculture, including fishing, industry and services, including transportation. At present, the extent of tourism activities in small island developing States varies widely between geographical regions as well as between countries within regions. Likewise, the economic benefits derived from tourism are diverse. In some small island developing States, tourism has become the major contributor to the gross domestic product (GDP), while in others it is still relatively undeveloped.

4. It is well known that in small island developing States, the scope for economic diversification and growth is limited. Their key constraints are small land areas and small populations. The relatively larger ones have the human resources potential to support a number of economic sectors viably and thus to benefit from linkages of those sectors with the tourism sector. The smaller ones, however, do not have such potential and will therefore have to be more reliant on imports to meet the material demands of the tourism sector. Other things remaining equal, the net benefits, i.e., domestic value-added per visitor, derived by the smaller islands from tourism will be relatively smaller.

5. The main objectives of the promotion of tourism as a growth sector are to accelerate the growth of national incomes, gainful employment, foreign exchange earnings and government tax revenues. A thorough evaluation of the contribution of tourism in small island developing States with respect to these parameters is at present hampered by the incompleteness of data. 2/ In a sample of 29 small island developing States for which data are available, gross direct receipts from tourism as a percentage of GDP ranged from a meagre 1 per cent to 88 percent on the average during the period 1989-1993, (see annex table 1). 3/ In this sample of countries, tourism and tourism-related activities have become the mainstay of the economy in Antigua and Barbuda, Aruba, Barbados, Saint Lucia, the Bahamas, Saint Kitts and Nevis and Seychelles, or mostly in the small island developing States in the Caribbean. Important exceptions apart, tourism makes the least contribution to national income in most of the African and Pacific small island developing States.

6. With a few exceptions, most small island developing States have realized a fast, although diverse, pace of growth of gross tourism receipts in nominal terms in recent years. During the period 1989-1993, in 24 out of 34 for which data are available, the growth of gross receipts from tourism ranged from 2 per cent to 61 per cent per annum on the average (see annex table 1). 3/ In most, it exceeded 10 per cent and in 9 it was 15 per cent or more. Generally, but not universally, the fast pace of growth reflects low initial levels of receipts from tourism. Even among those with low initial levels, several countries did not do so well.

7. In view of the constraints faced by small island developing States in promoting exports of goods in an increasingly competitive and fast-changing international economy, by and large, these States are giving increasing importance to tourism as a source of raising their foreign exchange earnings. The available data show that during the period 1980-1992, for a sample of 26 small island developing States, the percentage increase in the ratio of foreign exchange earnings from tourism to total export earnings ranged from 2 per cent to 453 per cent (see annex table 3). 3/ In 10 of them, it exceeded 50 per cent. In 1992, the contribution of tourism to total export earnings in 23 countries ranged from a meagre 2 per cent to 83 per cent; in 13 of them it exceeded 25 per cent (see annex table 3). 3/

8. The data on average daily expenditures per visitor for 10 countries ranged from US$ 41 to $304 in 1992. In 1989, average daily expenditures per visitor for 23 small island developing States ranged from $37 to $226 (see annex table 3). 3/ The diversity of performance even in these small samples is significant. It suggests that those countries that want to promote tourism as a

growth sector need, in addition to adequate investments in tourism infrastructure, to make greater efforts to enhance the diversity and quality of goods and services they sell to visitors.

9. Countries that have relatively full employment are less interested in the employment potential of expansion of tourism than those that have substantial unemployment. The employment advantages of tourism are twofold: first, the industry is labour-intensive, and secondly, much of the employment is relatively unskilled. Consequently, investment in tourism produces a higher and faster increase in employment than equal investment in other activities. Tourism creates employment directly in the tourism industry as well as in industries providing goods and services to the tourism industry. Data on direct employment in the tourism industry is extremely scanty. It may be inferred, however, that the impact of tourism on employment in small island developing States, where tourism makes an important contribution to national income, is considerable. In 15 Caribbean tourist destinations, a total of 77,319 hotel rooms accounted for 88,697 jobs, equivalent to 1.15 jobs per room. 4/ With the recent decline in the agriculture sector, in particular sugar and bananas, the relative share of tourism in employment has risen. In the South Pacific, tourism generated 27,500 jobs in direct employment in 1991 in the 10 member countries of the Tourism Council of the South Pacific (TCSP), with a population of about 5 million. Fiji accounted for 10,340 of this amount. 5/

10. In the Mediterranean region, overall employment in Cyprus exhibited an upward trend during the period 1980-1992, with the fastest growth occurring in tourism and related services. Employment in these occupations doubled from 33,000 jobs in 1980 to 64,000 in 1992. Hotels, restaurants and retail trade increased their share of employment from 17.9 per cent in 1980 to 24.3 per cent in 1992. 6/ In 1993, the total contribution of tourism to employment in Malta was roughly estimated at about 17 per cent of the labour force. In the African region, the available data for Mauritius and Seychelles indicate that during the period 1990-1994, the share of direct employment in tourism in total employment rose from 3.4 per cent to 4.8 per cent in Mauritius and remained stable at about 18 per cent in Seychelles. 7/

11. While the employment objective remains important for several small island developing States, the level of wages in the tourism industry is also important. The available information indicates that most jobs created in tourism are low-paying. This is to be expected in countries with high rates of unemployment, particularly of unskilled labour. The creation of low-paying jobs in the tourism sector in countries with relatively high rates of employment is the result of the strong pull factor of the relatively less physically demanding jobs in the tourism sector from more arduous jobs in the primary sector. This process exerts pressure on producers in the primary sector to modernize and increase capital intensity so as to permit a rising level of real wages; otherwise, the sector will lose its labour force and dwindle. This could marginalize important productive activities such as agriculture and fishing, and weaken the linkages of other sectors with tourism reducing the benefits derived from the tourism industry.

12. Tourism is likely to play an even more important role in the growth and development of small island developing States if appropriate measures are taken

to invigorate other sectors, in particular agriculture and fishing, so that they can more adequately meet tourist demand for consumer goods from domestic sources. Except for the very small ones, small island developing States can, with careful planning and provision of adequate facilities such as credit for mechanization, modernization and diversification, where necessary, support viable agricultural and fishing activities, as well as light manufacturing in addition to tourism. As intersectoral competition raises wage rates and incomes and reduces labour supply to the tourism sector, emphasis can be shifted to up-market tourism, with reliance on a slower rate of growth but of higher-spending visitors.

13. In evaluating the direct contribution of tourism to national income, gross levels of incomes or gross foreign exchange earnings are much less significant than net earnings after deductions have been made for all necessary foreign exchange expenditures of the tourism industry. The primary leakages of foreign exchange earnings from direct tourist expenditures arise from: (a) imports of materials and equipment for construction, (b) imports of consumer goods, particularly food and drink, (c) repatriation of profits earned by foreign investors, (d) overseas promotional expenditures and (e) amortization of external debt incurred in the development of hotels and resorts. The impact of these leakages varies greatly from country to country depending on the ability of countries to produce the goods and services necessary to meet the needs of the tourism industry. The estimates available for 17 countries or territories presented below show that the higher leakages pertain to small island economies.

Leakage of foreign exchange from gross tourism receipts

(Percentage)

1.	Fiji	56
2.	Cook Islands	50
3.	Saint Lucia	45
4.	Mauritius	43
5.	Aruba	41
6.	Hong Kong	41
7.	Jamaica	40
8.	United States Virgin Islands	36
9.	Seychelles	30
10.	Sri Lanka	27
11.	Antigua and Barbuda	25
12.	Cyprus	25
13.	Kenya	22
14.	Republic of Korea	20
15.	New Zealand	12
16.	Yugoslavia	11
17.	Philippines	11

Source: Travel and Tourism Analyst No. 3 (London, Economist Intelligence Unit, 1992).

14. Direct income from tourism provides only a partial picture of the contribution of tourism to national income. A complete picture would call for the estimation of tourism income multipliers in each small island developing State. Since expenditures of tourists give rise to the generation of additional incomes throughout the economy, the incomes and the associated employment thus induced can be considerable. Aside from the savings propensity of the local population, the size of the tourism income multiplier in a particular small island developing State depends on the extent of leakages of tourist expenditures overseas. The less the leakage of direct tourist expenditures, the higher the tourism income multiplier. Because of the complexities relating to the requisite data, however, the estimation of tourism income multipliers is beyond the scope of the present report.

2. Regional perspectives

15. At the regional level, the development of the tourism industry is more advanced in the Mediterranean and Caribbean small island developing States than in those located in the Asia-Pacific and African regions. The two Mediterranean small island developing States, Cyprus and Malta, have experienced brisk expansion of tourism in the past, which is reflected by the high share of tourism in their GDP and their total foreign exchange earnings. In both of them, however, industry remains the dominant sector. The good performance of tourism in these countries is explained in part by their advantageous location in the vicinity of high-income European countries, particularly the United Kingdom of Great Britain and Northern Ireland, their main source market.

16. In the Caribbean, with a larger number of small island developing States, the pattern of economic performance has become closely linked to the performance of the tourism industry. The direct contribution of tourism in terms of its share in GDP and export earnings is high in most of them. In the wider Caribbean, travel and tourism is the largest relative contributor to the regional economy, at 31.5 per cent of GDP. 8/ While in some, the economic base is relatively diversified, in the majority of them most other activities have become increasingly linked to tourism, with agriculture and industry lagging behind. This is particularly the case in the smaller islands which have become essentially service economies. The development of tourism in the Caribbean has been helped by considerable amounts of foreign investments and the fact that they are located in the tropics but in proximity to high-income North America.

17. The level of development of tourism and its contribution to economic development is more uneven and generally much lower in small island developing States of the Asia-Pacific region than in those in the Mediterranean and Caribbean. In most of them, the level of general economic development is also much lower. Six of them - Maldives, Samoa, Vanuatu, Tuvalu, Kiribati, and Solomon Islands - are actually classified as least developed. Tourism activities are concentrated in only a few. The contribution of tourism to national income is significant only in Fiji, Vanuatu, Samoa, Cook Islands and Maldives. By and large, in small island developing States of this region, agriculture and related activities predominate. Development of tourism in the region has been slow because of low levels of development of physical infrastructures and human resources in most of them, particularly the smaller

ones, isolation from the major sources of tourists, problems of communal landownership, extremely weak aviation and communication links, and heavy reliance on foreign investment, with foreign investors concentrating on the most profitable destinations.

18. In the African region, considerable progress has been achieved in tourism development in Seychelles and Mauritius. In the other three African small island developing States, Sao Tome and Principe, Cape Verde and the Comoros, all of which are classified as least developed, the development of tourism is still in an incipient stage. The slow pace of development of tourism in these countries is attributable to the slow pace of general economic development, and of the development of social and physical infrastructures and human resources in particular, as well as the inadequate importance attached to tourism as a growth sector in the past.

3. Emerging trends

19. The future development of tourism in small island developing States will be affected by two principal current global trends. First, global travel and tourism is expected to grow more rapidly in the coming years, outpacing the growth of world economic output. Between 1995 and 2005, travel and tourism is projected to grow by an annual average rate of 5.5 per cent in real terms and create 12.5 million new direct and indirect jobs annually on the average. 9/

20. In the wider Caribbean, travel and tourism output is projected to grow at an annual average rate of 3.6 per cent in real terms between 1995 and 2005 and to create 2.7 million jobs. 9/ For sustaining Caribbean tourism, the secretariat of the Caribbean Tourism Organization has identified a number of areas of action at the regional level, notably, maintenance of product quality, including the integrity of the natural environment; enhancement of profitability; provision of air access at competitive rates from major tourist markets; provision of a secure environment for the industry by combating crime and drugs; strengthening intersectoral linkages and creation of a regional competitive force through regional collaboration, particularly in the area of overseas marketing and promotion; and creation of social acceptability of the further expansion of tourism by the local population.

21. A similar trend is expected for Asia and the Pacific. The region as a whole is projected to be the fastest growing area in world tourism activities up to the year 2005. Between 1995 and 2005, the annual average real rate of growth of travel and tourism output in the region is estimated at 8.0 per cent. 9/ The South Pacific is expected to share in this growth through further growth of its traditional destinations, as well as through the gradual development of as yet untapped potentials in other islands. In most of the small island developing States of the South Pacific, the growth of tourism will require the removal of several major internal constraints, including the following: shortages of trained staff; inadequacy and infrequency of air transportation; low level and quality of supporting infrastructure - airport facilities, tour operation, restaurants; low budgets for marketing and promotion; lack of investment capital; and restriction on landownership. By far the greatest challenge for

the expansion of tourism in the South Pacific small island developing States will be their ability to achieve international competitiveness.

22. In the African region, Mauritius and Seychelles have planned for further growth but have opted for up-market tourism. They have consequently banned charter flight operations and hope to achieve a slower rate of growth of visitors, with emphasis on higher-spending visitors on scheduled flights. Of particular concern to these countries is the spread of drugs and of diseases such as the human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS), which can impact very severely on their small populations. The other three African small island developing States have considerable room for growth and are just beginning to develop tourism as a growth sector.

23. In Malta and Cyprus, the rate of growth of tourist arrivals has slowed down in the recent past. This is attributable in part to capacity constraints and in part to deliberate policies to slow down expansion in order to deal with environmental and other adverse impacts of previous rapid expansion. Both countries plan to place considerable importance on tourism as a growth sector for quite some time to come, but have opted for up-market tourism.

24. A second discernible trend that will shape tourism development in small island developing States in coming years is the growing interest in and demand for specialty tourism. Underlying this trend is greater environmental awareness globally, greater health consciousness, and a growing preference by travellers to experience unspoilt environmental surroundings. In tandem with this trend, many small island developing States have embarked on a gradual policy of diversification of the tourism package emphasizing to a greater extent other natural assets than the beach and the sea. Diversification of the tourism product also reflects the realization on the part of the authorities in small island developing States of the need to innovate in order to remain competitive.

4. Risks of over-reliance on tourism

25. Over-reliance on tourism, especially mass tourism, carries significant risks. Economic recession in industrialized countries, their major source of tourists, and the impacts of tropical storms and cyclones to which many of them are particularly prone have devastating effects on the tourism sector and hence on tourism-based island economies. Mass tourism, unlike up-market tourism, is characterized by relatively high income elasticity of demand and is likely to fall off suddenly as a result of economic recessions in the source markets. Excessive reliance on a single major source of tourists, as in Cyprus and Malta on the United Kingdom market, is extremely risky as economic difficulties in the source country have direct adverse impacts on the receiving countries.

26. In small islands, there is a tendency for fast growth of tourism to be accompanied by inflationary pressures. Prices of real estate, particularly land suitable for building, which is extremely scarce, quickly rise beyond the reach of the local population. Inflationary pressures build up throughout the economy as the prices of locally produced construction materials and consumer goods rise. Although this process means higher profit margins in bottleneck sectors and could stimulate more inward investment, overly accommodating monetary policy

could generalize the inflation with adverse consequences for international competitiveness and future investment.

B. Social and cultural impacts

27. Sudden, rapid development of tourism can cause significant social disruptions in small island States. Pressures are exerted on households and communities by the upward pressure on land prices and prices of foodstuffs and household items. Among other things, potential long-run effects could be a reduction in the living standards of high proportions of island populations and a sense of alienation brought about by their lack of access to limited land resources. Many small island populations also suffer a loss of access to beaches and important leisure areas because of exclusive rights granted to developers. This, in some cases, also translates into economic losses as fishermen and others are adversely affected by loss of access to the sea. Furthermore, excessively high visibility of foreigners can lead to anxieties on the part of the local people and a tendency to blame local problems on them, and thus to a social rejection of the growth of tourism.

28. An important factor in sustainable tourism development in small island States is the tourist carrying capacity of these societies, in both environmental and social terms. At peak periods, visitors are known to outnumber nationals by multiples in several of the smaller islands. In larger islands such as Jamaica or Fiji, local concentration of tourism often leads to localized problems of carrying capacity, such as overcrowding of beaches, traffic congestion, noise pollution, increased incidence of drugs and crime, and the spread of diseases brought in from outside. Annex table 2 shows the ratios of tourists to local population for a number of small island developing States in 1993. 3/ While optimal carrying capacity cannot be quantified with any exactitude, it is generally contended that the population to tourists ratio, i.e., the inverse of what is shown in the table, should be kept at a level that does not exceed social tolerance limits, which may differ from country to country.

29. Island tourism is invariably centred on sun, sea and sand. However, to the extent that some interaction occurs with local customs and traditions, tourism is sometimes believed to exert a negative sociocultural influence on small island States. A high level of tourism can lead to commercialization, which is thought to cheapen local customs and traditions. Local arts and crafts and cultural practices are sometimes adapted to suit foreign tastes, which leads to the creation of contrived cultural products.

30. Some research conducted in the Asia-Pacific and Caribbean regions, however, has failed to produce much evidence of major destruction of local cultures as a result of the influence of tourists. 10/ On the contrary, the findings indicate that tourism can assist in preserving customs and cultures by providing incentives to invest in and promote them. If properly managed and promoted, local cultures can be given an impetus by the presence of tourists. It is contended, for instance, that the popularization of Jamaican reggae and carnival festivals of Trinidad and Tobago and similar cultural forms in other small island States is a direct result of the influence of tourism.

C. Environmental impacts

31. The fragile ecosystems of small island States and their generally more limited scope for action in development alternatives make concerns for the environmental impact of tourism very acute, particularly because the sector, which is almost totally dependent on the natural environment, is viewed by many small island developing States as a fast route to social and economic development. Intensive tourism development and tourism activities often have very quick and severe impacts on their natural resources. The principal tourism-related environmental difficulties confronting small island developing States are several.

1. Land resources and terrestrial biological diversity

32. The environmental impacts of tourism are attributable to the development of tourism infrastructures and facilities and to the impacts of tourists' activities. In small islands, even more so than elsewhere, there is strong competition for the use of land between tourism and other competing uses. Rising prices of building land increase the pressure to build on agricultural land. Deforestation and intensified or unsuitable use of land cause erosion and loss of biological diversity. In many small island developing States, ecosystems are now being threatened as a result of the development of tourism, which has intensified human interference with vegetation and wildlife. This can lead to irreversible damage to their valuable ecosystems and to traditional activities such as fishing.

2. Waste management

33. For small island developing States, treatment and disposal of liquid and solid wastes constitute a major problem. With limited physical infrastructure, the capacity of many small island States is already strained. This is exacerbated by wastes generated by tourism activities. Examples abound of damages caused by the disposal of untreated effluents into surrounding areas of land and sea. Pollution of scarce inland freshwater resources is one such example. The loss of valuable marine life, the destruction of coral reefs and the silting and erosion of coastal beaches, on which island tourism highly depends, are others.

34. Pollution from ship-generated wastes is also a major cause for concern for small island developing States. One dimension of this particular threat is the dumping of oily waste, sewage, garbage and cargo residues, which cause marine and beach pollution, by merchant ships plying their seas. Another dimension, particularly for the Caribbean, is the frequency of tourist cruise ships plying that region's seas and generating substantial volumes of liquid and solid wastes for disposal at the ports of call. The following factors have been cited as impeding corrective action: inadequate infrastructure; weak institutional, legislative and enforcement capacities; the absence of a regional consensus on appropriate criteria for sewage, effluents and coastal water standards; and the inability of small island developing States to require cruise ships and other vessels to comply with the provisions of the International Convention for the

Prevention of Pollution from Ships regarding generation and disposal of ship wastes.

3. Coastal area degradation 11/

35. Tourism as a mainly coastal development has already had a number of adverse impacts on small island developing States. In Mauritius, Seychelles, Malta, Cyprus and several islands in the Caribbean, the previously unchecked construction of tourism facilities along their coastlines resulted in the despoliation of much of the originally pristine beauty of these areas. In order to halt the degradation, the Governments of a number of these countries have, of late, taken steps through legislation to restrict and control coastal construction. Stipulations of building size, with limits on height and room capacity, and specifications of design and materials used in construction have been instituted in an effort to correct past errors and ensure better harmony with the natural environment. Beach destruction caused by intensive sand mining for tourism-related construction is also a feature of many coastal areas. This practice has recently been curtailed in Maldives, Seychelles, Mauritius, the Bahamas and Cook Islands, among other States. Beaches destroyed by sand quarrying are not being naturally replenished because of the destruction of coral reefs by sewage and other types of pollution. Erosion owing to tourism facilities and infrastructures built too close to the coast also contributes to beach destruction and coastal degradation. Another common feature of coastal area destruction in small island developing States is the removal of valuable mangrove forests, which act as nesting places for birds and other animal life in addition to their function as a natural barrier against encroachment of the sea. Indiscriminate diving, fishing and boating activities associated with tourism may further contribute to this disturbance. For a detailed discussion of coastal area issues in small island developing States, see the report of the Secretary-General on coastal area management in small island developing States (E/CN.17/1996/20/Add.7).

4. Freshwater resources

36. The problem of freshwater availability is most severe in the low-lying atolls that have the least opportunity for surface-water catchment and storage. Several other small island developing States also suffer from frequent droughts and chronic water scarcity. On the high volcanic islands, rainfall is in many cases abundant but access to freshwater is often limited by lack of adequate storage facilities and delivery systems. The supply of freshwater relative to the growing demand from agriculture, industry and households is becoming an acute problem in many small island developing States. Added to this is the growing competition of limited water resources from tourism, which is extremely water-intensive.

5. Climate change and sealevel rise

37. Island tourism is a climate-sensitive industry, and being largely concentrated in coastal locations is susceptible to sealevel rise. An analysis

of data by the Intergovernmental Panel on Climate Change has confirmed a trend in global warming, with increases in temperatures of 0.3 to 0.6 degrees centigrade occurring since the late nineteenth century, much of which has occurred in the past 40 years. 12/ The effect of this trend is a rise of mean sealevels at a rate of 1.5 millimetres per year. 13/ In small islands and coastal areas in general, that would cause the inundation of coastal and some inland areas, threatening sanitation systems and freshwater supplies as seawater infiltrates subterranean water tables, with possibly catastrophic consequences for island tourism. An erosion of shorelines would undoubtedly bring about severe stress and damage to both natural and built environments, the overall economic consequences of which are currently inestimable. In addition, damages from tropical storms with a possible link to changes in weather patterns have been increasing in recent years. Small island developing States that are especially vulnerable to these phenomena now experience considerable difficulty securing insurance coverage. Reliable sunshine is one of the major tourism assets of tropical islands. Potential threats of climate change, which are beginning to appear in greater health risks from direct exposure to sunlight, may undermine this asset.

II. MATTERS RELATED TO POLICIES, FINANCE, CAPACITY-BUILDING, TECHNOLOGY AND INFRASTRUCTURE

38. The present section discusses some of the main policy issues in the area of sustainable development of tourism at the national, regional and international levels. Emphasis is placed on legislation, finance, capacity-building, and sustainable tourism infrastructure and policies as necessary means of implementing the provisions of the Programme of Action.

A. At the national level

1. Development policy framework

39. Tourism development has been incorporated into the overall development plans of some small islands. Some Caribbean island authorities have established tourism master plans, with links to national development plans, and have created national sustainable development commissions or, as in the case of Saint Lucia, a National Sustainable Tourism Commission. In the South Pacific, tourism development plans and policies have been formulated in several small island developing States. However, the level of policy commitment to sustainable tourism development differs from country to country, which in turn influences the degree of action in this area. According to a study by the Economic and Social Commission for Asia and the Pacific (ESCAP), this uneven commitment in the South Pacific can serve as an impediment to the promotion of sustainability at the regional level. 14/ By and large, a long-term national policy for sustainable tourism development, with emphasis on natural resource conservation, has yet to evolve. The focus of policies generally continues to be on: (a) creating and improving conditions for attracting foreign investment in tourism; (b) marketing and promotion of tourism to achieve maximum growth in arrivals; and (c) designing the type of legislative framework that would further those objectives. The prevalence of this situation points to the urgent need

for a policy framework for sustainable tourism development in most small island developing States.

2. Legislative framework

40. A necessary requirement for the pursuit of sustainable tourism development is an effective legislative framework. A wide range of laws have been enacted in small island developing States, in many instances since the conclusion of the United Nations Conference on Environment and Development, establishing standards for land use in tourism development, tourism facilities and investment in tourism. Despite progress in the enactment of environmental legislation, its effectiveness continues to be impaired by weaknesses in the institutional frameworks for enforcing legislation, lack of standardization of legislation and the obscurity of regulations. Consequently, the level of enforcement of regulations to ensure sustainability in tourism in many small island developing States leaves much to be desired. Regulations for coastal zone management and the creation of prctected areas, both marine and land-based, present a case in point. Their enforcement, particularly in the Caribbean, remains very weak. 15/

3. Investment

41. The majority of small island developing States suffer from a lack of local capital for bulky investments and, in many cases, the absence of a significant local entrepreneurial class. The financing required for the development of the tourism sector is therefore obtained largely through foreign investment. Special efforts are made by Governments of small island developing States to attract foreign capital through the provision of tax breaks, tax holidays, building concessions and other incentives to foreign investors. While that may well be necessary to some extent, competition among small island developing States to attract foreign capital for tourism development often leads to the provision of over-generous financial incentives to foreign investors which deprive all these States of part of the income from tourism. Moreover, since small island developing States are over-reliant on foreign capital, they are unable to impose environmental sustainability conditions on foreign investors. Both to derive the maximum benefits from tourism and to avoid environmental deterioration from tourism activities, there is a need for small island developing States to jointly adopt uniform incentive and environmental policies, at least at the regional level.

42. While efforts at encouraging local investment and participation in the sector have increased in many small island developing States, considerably more effort is needed. Such efforts are, in many cases, hampered by the inability of the private sector in most small island developing States to raise adequate capital. A judicious mix of foreign and local investment, and especially the encouragement of joint ventures, would be one way of ensuring the adequacy of capital resources for sustainable tourism development and the fuller participation of nationals in the sector.

43. Aside from foreign direct investment in tourism, the bulk of tourism-related services are also known to be largely in the control of foreign

operators in a number of small island developing States. Overseas sales and marketing, and promotion of tourism packages for most small island developing States, are undertaken by outside entities. Several domestic operations are also handled by foreigners. In this area, there is a need for increased investments in the training of nationals for greater participation in tourism.

44. In order to supplement the efforts of the private sector at ensuring sustainability in the tourism sector, greater non-governmental organization/government partnerships in tourism development could be developed. Such partnerships can be useful, especially in the restoration, development and maintenance of cultural and historical sites, while ensuring conservation and profitability. Funds for investment in such activities could be raised through mechanisms already existing in many cases, such as increases in airport taxes and airline ticket taxes, as long as they meet International Civil Aviation Organization (ICAO) stipulations, and entrance fees for tourism sites.

4. Human and institutional capacity

45. Most small island States face the persistent problem of inadequate supply of trained manpower, particularly in government agencies responsible for the implementation and monitoring of standards and environmental regulations in tourism. The shortage of skilled human resources is compounded by the dispersion in some States of roles and responsibilities among several government agencies. To address these weaknesses, an integrated approach to tourism planning and environmental conservation, coupled with training at all levels, needs immediate attention in all small island States. A system for monitoring the implementation of sustainable tourism policies must also form part of an integrated approach to tourism planning and the building up of institutional capacity. A study by ESCAP found that national tourism organizations, important mechanisms in the development and implementation of sustainable tourism policies, are largely under-staffed and under-funded. 16/ The study also found that attempts by individual small island States to market their tourism product themselves have not been significantly effective in most cases because of the high costs involved and the lack of skilled human resources. Overall, the shortcomings of capacity could be better addressed through greater regional collaboration.

5. Infrastructure

46. The main physical infrastructural requirements for tourism development include the following: effective transportation facilities, including airports and air and/or sea carrier links; reasonably good road networks; telecommunication links; reliable energy supply systems; freshwater supply systems; accommodation facilities; restaurants and entertainment sites. For many small island developing States, the inadequacy of these infrastructures is an obstacle to the development of the sector. In some of the smaller Pacific islands in this category, efforts are being made to build new airport facilities. This is regarded as a necessary initial step to their fuller participation in tourism. In the Caribbean, where the sector is more developed,

air links to long-haul markets such as Germany, Italy and France are being extended.

47. Many small island developing States are confronted with severe infrastructural inadequacies consequent to the growth of tourism. Many of them suffer from chronic shortages of freshwater supply for their own use, a problem that is further aggravated by the high demand of large tourist populations. Liquid and solid waste disposal present a colossal problem to all small island developing States but especially to those that are tourism-based. Another dimension is added to this problem by the requirement of facilities to handle waste brought to their ports by cruise lines which frequent small island destinations.

48. The diversification of the tourism product through the development of nature and cultural tourism also necessitates additional infrastructural and environmental requirements. Some sites are remote and may require additional access routes and other infrastructures such as those for the supply of water and electricity, and new accommodation. These requirements are particularly burdensome to the archipelagic small island developing States. Generally, when developing infrastructure, the issue of the carrying capacity of the destination must also be considered.

6. Technology

49. Sector-specific technology needs of small island developing States are discussed in various reports to the Commission on Sustainable Development at its fourth session which highlight the need for the introduction or more widespread use of certain technologies by tourism enterprises and Governments of small island developing States, as appropriate. Some examples are: (a) solar technology for cooling of hotels and for water heating; (b) environmentally sound technologies for the treatment, recycling and disposal of solid wastes generated by tourism facilities and those brought to port by cruise ships; (c) telecommunications technologies for the fuller integration of small island developing States into global telecommunications networks to enhance their marketing and promotion operations; and (d) electronic information technologies to enhance day-to-day tourism operations, such as reservations.

B. At the regional level

50. The need for greater collaboration among small island developing States on issues of sustainable tourism development is well recognized. Collaboration and cooperation could lead to greater long-term benefits for the environment and the economies of small island developing States, particularly in an increasingly competitive global arena. The harmonization of standards and regulations, including legislative actions to govern tourism, has been identified as a critical need in the Programme of Action for the Sustainable Development of Small Island Developing States and by some regional authorities. Integrated tourism development planning, marketing and promotion can increase both effectiveness and efficiency. Joint overseas marketing and promotion would help achieve benefits of economies of scale and increased value-added in the tourism

sector. Overseas marketing and promotion by individual small island developing States entail a heavy cost to each of these States and reduce significantly their net foreign exchange earnings from tourism.

51. The Programme of Action provides for the pursuit of regional initiatives in: (a) the harmonization of standards and regulations to ensure that tourism and the environment are mutually supportive; (b) the promotion of cooperation in developing potential complementarities in the tourism sector; and (c) the establishment of mechanisms for information exchange and sharing of experiences, particularly through existing regional tourism organizations. The ESCAP report cited above has identified, in addition to those measures, the need for regional collaboration in: (a) integrating tourism development planning, including concerted market development and promotion; (b) strengthening and expanding the roles of national and regional tourism institutions and organs; and (c) promoting joint training and manpower development in tourism.

52. In recent years, attempts have been made, particularly in the two main regions - the Pacific and the Caribbean - to consolidate efforts in sustainable tourism development by forging common regional approaches for the sector. The necessary institutional framework currently exists for these regions in the form of the Tourism Council of the South Pacific and the Caribbean Tourism Organization. These institutions have been mandated by the respective regional political forums - the South Pacific Forum and the Caribbean Community (CARICOM) - to strengthen regional cooperation in tourism development, planning and promotion. Provision for some financial support has been made for both institutions under the Caribbean and Pacific regional tourism development programmes funded by the Lomé Convention concluded between the European Community and the African, Caribbean and Pacific States.

53. In spite of many difficulties, the Tourism Council of the South Pacific has been successful as a regional agency in the area of marketing and promotion of the South Pacific as a tourist destination, but not in the area of strategy and planning. For the Caribbean small island developing States, the political framework was consolidated with the formation in 1995 of the Association of Caribbean States (ACS), 17/ which has identified the tourism sector as one of three areas for high-priority measures for wider regional cooperation. Regional cooperation in the area of tourism has been further strengthened by the formation of the Caribbean Coalition for Tourism, with the goal of creating the largest possible pool of resources for cooperative marketing by drawing on the resources of the widest range of players both in the public and in the private sectors.

54. Resource constraint has been recognized as an impediment for both TCSP and CTO to adequately cover the broad range of activities that they must undertake to increase market awareness, promote sustainability, develop human resources and carry out marketing and promotion. External assistance is seen as essential to the viability of both institutions. Increased support for these bodies, aside from regional Governments, will be contingent upon increased involvement of the private sector in their work. The inadequacy of political will to cooperate meaningfully is also seen as a major impediment to effective cooperation in both regions.

55. In the African region, there is little evidence of meaningful effort at regional cooperation in the area of tourism development. This may be due in large part to the dispersion of the African small island developing States, three off the east coast and two off the west coast of Africa, and the considerable disparity in development and policy emphasis on tourism among these countries. Given the recognized potential for tourism development, however, there is a need to begin efforts within this region for a common approach to sustainable tourism development through an integrated subregional policy.

56. In the areas of joint training and manpower development, tourism research and experience-sharing efforts at regional collaboration have been made to varying extents within the regions. The pooling within each region of the limited financial and technical resources of individual small island developing States for capacity-building would be immensely beneficial to all those States. Collaboration in information exchange and research could be achieved through the strengthening of regional tourism institutions. A priority need in this respect is for training in the use of state-of-the-art information technologies at the regional level for the monitoring of environmental impacts of tourism, and for the establishment and operation of central reservation systems.

57. A major area for regional cooperation is air transportation. Two considerations are worthy of note in this connection. First, small island developing States cannot depend solely on foreign carriers, which must make decisions in the best interest of their owners regarding services, routes and schedules. Such decisions may not always coincide with the best interest of the countries. Besides, even a major airline serving small island developing States in a region can suddenly disappear. Secondly, small island developing States, except for a few, cannot each maintain a viable airline. An effective solution from the point of view of cost and adequacy of air transportation for the tourism industry would be regionally owned and managed carriers, with provision for regional functional cooperation. For a detailed discussion on air transport needs for small island developing States, see the report of the Secretary-General on air transport in small island developing States (E/CN.17/1996/20/Add.5).

III. COUNTRY EXPERIENCES

58. The economic prospects of many small island developing States depend significantly on a productive tourism sector. For the States, generally, the furtherance of sustainable tourism development is an economic as well as a socio-environmental imperative. In these countries, tourism actually provides an economic rationale for safeguarding the natural environment.

59. Many of the policies that underpin sustainable development were recognized and elaborated in a number of small island developing States prior to the United Nations Conference on Environment and Development and were given further impetus by it and by the Barbados Conference. For instance, Maldives, concerned about sustainability in the wake of rapid tourism development, recognized the need for the establishment of a National Environment Council to address those concerns as far back as 1985. The preparation of a national environment action programme, as well as a related work programme, was completed in 1989, with provision for

the systematic inclusion of environmental issues in the country's national development plan. Specific policies have been adopted to promote sustainable tourism development, particularly in the areas of waste disposal, use of coral reefs and construction in coastal sites and for the type and diversity of accommodation. 18/

60. Policies aimed at the creation of national parks and the encouragement of visits to wildlife refuges, bird sanctuaries and other natural beauty spots have been put in place in Seychelles and Mauritius as a means of diversifying the tourism product with a possible spin-off benefit for the protection and conservation of these sites. The drive for product diversification and the enhancement of natural endowments is also very strong in the Caribbean. Several legislative acts have been passed in individual countries of this region with the objective of addressing environmental problems. For example, in Saint Lucia, a National Sustainable Tourism Commission was established and a National Environmental Action Plan was prepared for implementation in 1994. A Minimum Standards Act was scheduled for adoption in 1995, with a view to addressing all areas of hotel, restaurant and tourist carrying capacity. A Development Control Act has also been approved by the Saint Lucia authorities, making the conduct of environmental impact assessment and its incorporation into all decision-making processes mandatory. Jamaica recently carried out a review of existing environmental legislation. The review resulted in the passage of new legislation requiring the conduct of environmental impact assessment for all new developments. 19/

61. In some small island developing States where rapid tourism expansion has given rise to problems of sustainability and over-reliance on tourism as a major sector, several measures have been taken in an attempt to overcome such problems. A case in point is Cyprus, where pollution, beach erosion, physical carrying capacity and difficulties of competitive pressures on other economic sectors have been felt. Efforts have been made through the use of economic instruments and legislation to achieve sustainability and balance. Various new tax incentives have been introduced to diversify and upgrade the tourism product and a new marketing strategy focus is directed at improving tourist quality. Additionally, fiscal instruments are now being used to encourage sound land use and coastal zone practices aimed particularly at slowing down and improving coastal development and efficient allocation and use of water and other resources. Simultaneously, a policy of economic restructuring in the manufacturing and agriculture sectors have been put in place in order to improve their overall competitiveness and linkages with tourism. 20/

62. Diversification within or away from tourism has been undertaken in many small island developing States, notably in Cyprus and Malta. Several constraining factors have been recognized, including a generally limited scope and capacity for novel forms of tourism development in small islands, a usually small proportion of visitors interested in other forms of activity, and more importantly, the fact that all aspects of tourism accommodation and other facilities have been geared towards traditional forms of tourism. The authorities in Mauritius and Seychelles have also adopted some policies for diversification within tourism, particularly in targeting high-spending visitors and in encouraging to some extent inland and nature tourism. In the foreseeable future, however, the need for continued mass tourism is acknowledged largely

because of an existing over-capacity in tourism. A spin-off benefit of the thrust for quality has been a general upgrading of facilities and greater attention to avoiding negative impacts. Mauritius has been relatively successful in achieving some degree of economic diversification and balanced growth through the development of export processing zones and, to a lesser extent, agricultural modernization and diversification.

63. In the Comoros and Cape Verde, the Governments and private sector have recently demonstrated heightened interest in tourism development. The institutional groundwork has been prepared in the Comoros with the adoption in 1994 of a national environmental policy document and an environmental plan of action, and the creation in 1995 of the Association Touristique Comorienne. The implementation of these plans, however, is subject to a number of constraints, including poor levels of infrastructure development, particularly hotels, poor air and communication links with tourist-generating areas and some degree of political instability. Recent initiatives in Cape Verde include the adoption of a tourism development plan and the establishment of a National Institute for Tourism. The main constraints identified are the following: a lack of interest by the local and foreign private sector; a lack of demonstrated support by donors for the tourism development plan; and limited domestic financial resources. 20/

64. Dominica has formally launched eco-tourism as the main form of tourism development. The island is mountainous, boasts few beaches but has 60 per cent forest cover containing many endemic species of plants, animals and birds. Two large national parks, two forest reserves and a Carib Indian reservation form the basis of eco-tourism attractions. The Government of Dominica has enacted legislation to ensure heritage and natural resource preservation, and the creation of linkages with local economic activities. While no scientific assessment has been conducted of the impact of increased human activity on the natural environment, several negative trends have been observed, among which are the accumulation of litter and garbage around nature sites, the extraction of plants from protected areas and the effects of the use of soap by local people in rivers and natural pools. Based on the experience of Dominica, concerns have been expressed regarding issues of carrying capacity and the impact of large numbers of tourists on environmentally sensitive ecologies. Although the adoption of regulations and policy guidelines can be seen as an indication of government commitment to sustainability, weaknesses persist in the management and policing of protected areas and tourism sites. Another unique feature of the experience of Dominica is the emphasis on participation by the local population through tax exemptions for local shareholder participation in hotels and other ventures.

IV. EXPERIENCES OF MAJOR GROUPS AND NON-GOVERNMENTAL ORGANIZATIONS: THEIR ROLE AND INVOLVEMENT IN THE PROMOTION AND MAINTENANCE OF SUSTAINABLE TOURISM DEVELOPMENT IN SMALL ISLAND DEVELOPING STATES

A. Private sector

65. A survey conducted by the World Travel and Tourism Council indicates that in much of the private sector, the pursuit of sustainability measures in tourism is gradually becoming a matter of sound business practice. 21/ Little by little, recognition of the link between conservation measures on the one hand and profitability and competitiveness on the other is taking hold. Some private sector companies involved in travel and tourism have reported positive results from conservation measures, in the form of increased profitability, a rise in staff morale and an enhanced image among their clientele. In order to develop voluntary practice approaches, tourism industry associations have emphasized the use of voluntary environmental codes of conduct and guidelines. Through a survey and publication, the United Nations Environment Programme (UNEP)/Industry and Environment Programme Activities Centre has identified more than 30 codes, among them, those prepared by main industry associations such as the World Travel and Tourism Council, the Pacific Asia Travel Association, the American Society of Travel and the International Hotels Environment Initiative. 22/

66. An emerging feature among some multinational businesses, particularly in the hotel sector, is resort to voluntary measures for conservation, primarily with a view to securing strategic advantages, but also as a means of precluding more costly retrofitting that may be required by future government regulations. However, to date, most efforts have focused on energy and water conservation, waste minimization and product purchase. New tourism developments should more often incorporate improved plant designs, and improved energy-efficient features that will enable greater natural lighting, natural cooling of accommodation facilities, and waste treatment and water recycling.

67. Already, some progress can be noted: hotel staff are being trained to adopt energy- and water-saving, and waste-minimization measures during cleaning; and hotel guests are being encouraged to minimize water use by the reuse of towels and linens. Product purchase measures are being instituted, for example, through switching from phosphate-free cleaning products to those known to have less harmful properties. In the Asia-Pacific region, the development of integrated resorts is setting a new trend in resort development with the key objective of exercising greater control over environmental quality as a means of providing a guarantee of quality to guests. New complexes are built with all facilities on site, with particular emphasis on water conservation and recycling, energy supply and conservation, and waste management.

B. Non-governmental organization and community involvement

68. The growing trend of environmental awareness globally is accompanied by an increase in international and national environmental movements in tourism development. For instance, at the international level, the International

Scientific Council for Island Development, with the support of the Government of Spain and the sponsorship of several organizations, spearheaded the convening of the World Conference on Sustainable Tourism at Lanzarote, Canary Islands, in April 1995. The Conference adopted a Charter for Sustainable Tourism which affirms, inter alia, that: (a) tourism must be sustainable and integrated with the natural, cultural and human environment; (b) the achievement of sustainability is contingent upon integrated planning and cooperation at all levels; (c) tourism development must contribute to local economic development and improve the quality of life of all people; and (d) the benefits and burdens of tourism must be more equitably distributed. In consequence of the Conference, a follow-up committee responsible for the dissemination of the Charter and for the promotion of related studies, projects and actions was established; and the launching of a European network for sustainable tourism development in islands and coastal zones was proposed. The objective of the network is to generate and diffuse information and know-how on the promotion of environmentally sound tourism. Like industry associations, non-governmental organizations such as the Ecotourism Society and the World Wide Fund for Nature Tourism Concern have also developed codes of conduct and guidelines for tourism. At the regional level, the Caribbean Conference on Sustainable Tourism, which was held at Punta Cana, Dominican Republic, towards the end of 1995, under the sponsorship of Earthkind International and the Earth Pledge Foundation, explored a wide range of issues relating to sustainable tourism in that region. A similar conference is planned for the South Pacific in 1996.

69. At the local level, the involvement of non-governmental organizations, community groups and local authorities in the promotion and development of sustainable tourism policies is just beginning but a discernible trend is apparent in some small island developing States. The following are examples of recent initiatives: in Trinidad and Tobago, a project has been put in place at Matura Beach to train community youths as tour guides, with the goal of preventing poaching of leatherback turtles, an endangered species; in Jamaica, resort boards, which include representatives of non-governmental organizations, the local community and business enterprises, have been established in the main tourism areas of Ocho Rios, Montego Bay, Negril and Port Antonio for overseeing all aspects of tourism policy, practice and development; in Mauritius, the authorities have published The Mauritian Code of Ethics for Tourism: For Mauritians. The Code, which focuses largely on the social and cultural aspects of tourism, presents guidelines for use by the local community in their dealings with tourists.

V. ACTIVITIES AND EXPERIENCES IN INTERNATIONAL COOPERATION IN SUSTAINABLE TOURISM DEVELOPMENT

A. Organs of the United Nations system

70. A number of organizations and bodies of the United Nations system have reported plans and activities in the area of tourism development, in keeping with the Programme of Action. The United Nations Development Programme has reported that its programme of assistance in the South Pacific and in some small island developing States in the other regions addresses issues relating to sustainable tourism development within the overall national environmental plans

of the countries concerned. The Economic Commission for Latin America and the Caribbean (ECLAC) and ESCAP have planned or recently implemented specific activities in tourism. ECLAC has reported that proposals for environmental codes of conduct for the tourism sector, which it recently developed, are now being carried out by the Caribbean Tourism Organization. ESCAP has reported that in 1995, it convened a workshop on integrated tourism planning in Pacific island countries and published a set of studies on foreign investment in the tourism sector in Samoa and Vanuatu. The United Nations University is currently undertaking a study to examine indicators of sustainability for the tourism sector in small islands, along with a project on eco-tourism. It is expected that the results of these two undertakings will be useful to small island developing States.

71. In 1992-1993, the World Heritage Convention, sponsored by the United Nations Educational, Scientific and Cultural Organization (UNESCO), in collaboration with UNEP, carried out surveys on tourism management in natural and mixed heritage sites and subsequently convened an international seminar which helped formulate a set of general principles for tourism development in natural heritage sites. During 1994-1995, UNESCO collaborated with several regional initiatives on tourism in the Asia-Pacific region. The Earth Sciences Division of UNESCO has undertaken modelling of human-induced geomorphologic change to serve as a guide to improved planning of human settlements. In addition, UNESCO has planned a world heritage promotion seminar for the Caribbean, and a pilot project on water supply problems and community attitudes in the South Pacific islands, as well as studies with reference to the Caribbean on the interrelationships between tourism, population pressures, pollution and natural hazards. In 1993, through the Pan American Health Organization Regional Office, the World Health Organization collaborated with a number of regional organizations to launch the Environmental Health and Sustainable Tourism Development Initiative for the Caribbean and to convene the Regional Conference on Environmental Health and Sustainable Development in the Caribbean. UNEP is making efforts to promote integrated coastal zone management in small island developing States through its regional seas programme. The Mediterranean Action Plan and the Caribbean Action Plan have in particular addressed tourism issues. The Industry and Environment Office of UNEP has developed fruitful partnerships with industry associations at the international level to inform about and disseminate examples of good environmental practices, in particular on codes of conduct and environment management of hotels. The Food and Agriculture Organization of the United Nations has planned two regional workshops in 1996, one for the Caribbean and one for the South Pacific small island developing States. One of the items on the agenda of both workshops will be linkages of tourism with agriculture, forestry and fisheries. 23/

B. Other intergovernmental bodies

72. In addition to the Tourism Council of the South Pacific and the Caribbean Tourism Organization, both of which are intergovernmental bodies whose activities have been discussed above, the Organization of American States (OAS) and the European Union have been active in promoting sustainable tourism development in small island developing States. OAS has assisted Caribbean small island developing States in various policy studies on sustainable tourism. The

European Union has provided assistance, under ongoing cooperation arrangements, in carrying out a number of tourism development projects in African, Caribbean and Pacific small island developing States.

VI. MAIN FINDINGS

73. Tourism already makes an important contribution to economic growth, employment and foreign exchange earnings in the majority of small island developing States. It provides an opportunity to most of them for economic diversification and growth.

74. Looking to the future, there are indications that the development of tourism in small island developing States will be subject to two current global trends. First, global travel and tourism output is expected to grow more rapidly in coming years, outpacing the growth of world economic output. This trend is expected to reinforce current trends in small island developing States. Secondly, tourism development in these countries will be shaped by the growing interest in, and demand for, specialty tourism, particularly nature tourism propelled by growing environmental awareness. To these trends may be added another, namely, an apparent upward trend in global warming and sealevel rise, the persistence of which would have devastating impacts on island tourism.

75. From the point of view of the future course of action, the following findings on the economic, social and environmental aspects of tourism in small island developing States are worthy of note:

(a) Economic aspects. (i) Generally, the leakages through imports out of direct tourist expenditures to meet the needs of the tourism sector itself are extremely high in these countries; (ii) the daily expenditures per visitor vary from country to country but are generally low; (iii) excessive reliance on tourism carries many risks, including excessive exposure to international economic shocks and weakening of intersectoral linkages which, inter alia, reduce the potential benefits from tourism;

(b) Social aspects. Rapid development of tourism, particularly mass tourism, can have significant adverse social impacts in small islands. The following are of particular significance: (i) persistent inflationary pressures pose the danger of significantly worsening the household distribution of income; (ii) the social carrying capacity of small islands quickly reaches its limits of tolerance as the ratio of visitors to the local population rises, causing overcrowding of beaches, noise pollution and exacerbating traffic congestion; (iii) prolonged growth of mass tourism may be accompanied by increased incidence of crime, and spread of drugs and diseases, including HIV/AIDS;

(c) Environmental aspects. Intensive tourism development and tourism activities, particularly if not properly planned and managed, can very quickly cause environmental damages in small island developing States. The most notable impacts are observable in (i) land degradation and loss of terrestrial and marine biodiversity; (ii) increased levels of pollution from dumping of solid and liquid wastes generated by tourism activities on land and in the sea; (iii) coastal zone degradation through intensive sand mining, removal of

mangrove forests and destruction of coral reefs, erosion and destruction of landscape owing to tourism facilities and associated infrastructures; (iv) freshwater shortages aggravated by the demand from the water-intensive tourism industry, excessive groundwater pumping and consequent lowering of water tables.

Notes

1/ Report of the Global Conference on the Sustainable Development of Small Island Developing States, Bridgetown, Barbados, 25 April-6 May 1994 (A/CONF.167/9 and Corr.1 and 2) (United Nations publication, Sales No. 94.I.18 and corrigenda), chap. I, resolution 1, annex II.

2/ The World Tourism Organization has been trying to get international agreement on how to measure the contribution of tourism to national economies and has proposed a Standard International Classification for Tourism Activities to resolve this issue. The proposal has been adopted, in principle, by the United Nations Statistical Commission.

3/ The tables are available in the Small Island Developing States Unit of the Department for Policy Coordination and Sustainable Development. They will be provided on request.

4/ Estimate of the Caribbean Tourism Organization, as quoted in The Financing Requirements of Nature and Heritage Tourism in the Caribbean (Washington, D. C., Organization of American States, 1995), p. 39.

5/ Investment and Economic Cooperation in the Tourism Sector in Pacific Island Countries, Tourism Review No. 13 (Bangkok, Economic and Social Commission for Asia and the Pacific, 1994), p. 167.

6/ George Vassiliou, "Tourism and sustainable development lessons from the Cyprus experience", in Critical Issues in the Sustainable Development of Small Developing Islands, World Development Studies, No. 1 (Helsinki, World Institute for Development Economics Research of the United Nations University, 1995).

7/ Based on data received from national authorities.

8/ Travel and Tourism's Economic Perspectives (London, World Travel and Tourism Council, 1995), pp. 22-23.

9/ Ibid., p. 1.

10/ Eric Blommestein, "Sustainable tourism in the Caribbean - an enigma?" in Mark Griffith and Bishnodat Persaud, (eds.), Economic Policy and the Environment - The Caribbean Experience (Kingston, Jamaica, University of the West Indies, 1995), pp. 208-210.

11/ The report of the Secretary-General on the protection of the oceans, all kinds of seas, including enclosed and semi-enclosed seas, and coastal areas

and the protection, rational use and development of their living resources (E/CN.17/1996/3) uses the Agenda 21 terminology "coastal area". The same terminology is used here for the sake of consistency and to avoid confusion. The terminology used in the Barbados Programme of Action is "coastal zone".

12/ See The Second Assessment Report Adopted by the World Meteorological Organization/United Nations Environment Programme Intergovernmental Panel on Climate Change (Rome, December 1995).

13/ Intergovernmental Oceanographic Commission Workshop Report No. 96 (Paris, 1994), p. 2.

14/ See Sustainable Tourism Development in Pacific Island Countries (Economic and social Commission for Asia and the Pacific, 1992).

15/ Joy E. Douglas, "Ecotourism: the future for the Caribbean?" in Industry and Environment (Paris, United Nations Environment Programme/Industry and Environment Programme Activities Centre, 1992), p. 66.

16/ Sustainable Tourism Development in Pacific Island Countries ...

17/ Formally established in August 1995, ACS includes all CARICOM member States, other non-CARICOM islands of the Caribbean and the neighbouring States of Central and South America.

18/ Edward Inskeep, "Sustainable tourism development in the Maldives and Bhutan", in Industry and Environment (Paris, United Nations Environment Programme/Industry and Environment Programme Activities Centre, 1992), pp. 31-34.

19/ Information based on national presentations to the meeting of the Consultative Group on Environmental Health and Sustainable Tourism Development in the Caribbean, held in Nassau, Bahamas, in November 1994.

20/ Based on information received from national authorities.

21/ Travel and Tourism, 1994 Review (London, World Travel and Tourism Council/World Travel and Tourism Environment Research Centre).

22/ Environmental Codes of Conduct for Tourism, Technical Report No. 29. (Paris, United Nations Environment Programme/Industry and Environment Programme Activities Centre, 1995).

23/ Based on submissions from these agencies for the preparation of the present report.